

## Federal Communications Commission Washington, D.C. 20554

March 4, 2014

Marlene Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street, SW Washington DC 20554

Re: Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions, GN Docket No. 12-268; Amendment of the Commission's Rules with Regard to Commercial Operations in the 1695-1710 MHz, 1755-1780 MHz, and 2155-2180 MHz Bands, GN Docket No. 13-185

Dear Ms. Dortch,

On February, 25, 2014, Roger Sherman, Acting Chief of the Wireless Telecommunications Bureau (WTB), John Leibovitz, Special Advisor to the Chairman for Spectrum Policy and Deputy Chief, WTB, and Chris Helzer, Madelaine Maior, Paul Malmud, Blaise Scinto, Jennifer Tomchin, and Janet Young of WTB, and Gary Epstein, Howard Symons, and Edward Smith of the FCC Incentive Auction Task Force met with the following parties to discuss the geographic area license size for the new, flexible use licenses in the referenced proceedings, specifically, for the 600 MHz Band:

Brian Benison, AT&T Michael Goggin, AT&T Alex Starr, AT&T John Prendergast, Blooston Steve Berry, Competitive Carriers Association Tim Donovan, Competitive Carriers Association Sean Spivey, Competitive Carriers Association Jill Canfield, NTCA Erin Fitzgerald, Rural Wireless Association Tara Shostek, Rural Wireless Association Robin Cohen, Sprint James Goldstein, Sprint Trey Hanbury, Hogan Lovells, on behalf of T-Mobile Steve Sharkey, T-Mobile Chris Wieczorek, T-Mobile Grant Spellmeyer, US Cellular Cathy Hilke, Verizon Tamara Preiss, Verizon

The discussion focused on the proposal to license the new 600 MHz Band using Partial Economic Areas (PEAs). Parties presented their views on the PEA proposal, and reiterated their previously-stated positions on geographic area license size and package bidding generally. Specifically:

- NTCA and RWA stated that they continue to support licensing the 600 MHz Band on a MSA/RSA (CMA) basis.<sup>3</sup> With respect to the PEA proposal, they stated that they have been working with their members to develop a PEA map, which is still a work in progress, based on six principles:
  - o create areas to ensure rural consumers will be served;
  - o keep rural and metropolitan areas separate, as much as possible;
  - o create no islands of extremely rural territories;
  - recognize that some areas are out of reach for small providers, no matter how small the geographic license;
  - o all licenses must nest within EAs; and
  - o must have less than 500 total areas due to Incentive Auction complexities.4
- CCA stated that it continues to support licensing using CMAs for the 600 MHz Band.<sup>5</sup> It restated
  its approach to establishing PEA boundaries, which is reflected in its filings.<sup>6</sup>
- Blooston reiterated its support for licensing the 600 MHz Band on a CMA basis.<sup>7</sup> If PEAs are used, it argued for the need to keep rural and urban areas separate, as much as possible.

<sup>&</sup>lt;sup>1</sup> "Wireless Telecommunications Bureau Seeks Comment On A Proposal To License The 600 MHz Band Using "Partial Economic Areas," GN Docket Nos. 12-268, 13-185, Public Notice, 28 FCC Rcd 17255 (2013) (PEAs PN).

<sup>&</sup>lt;sup>2</sup> See GN Docket No 12-268: Comments of AT&T Inc. at 51-58 (Jan. 25, 2013); Comments of the Blooston Rural Carriers at 8-9 (Jan. 9, 2014); Supplemental Comments of Competitive Carriers Association Regarding the Use of "Partial Economic Areas" at 7-8 (Jan. 9, 2014); Reply Comments of The Rural Wireless Association, Inc. and NTCA – The Rural Broadband Association at 7-15 (Jan. 23, 2014); Reply Comments of Sprint Corporation at 5-6 (Jan. 23, 2014); Comments of T-Mobile USA, Inc. at 2-6 (Jan. 9, 2014); Comments of United States Cellular Corporation at 32-48 (Jan. 9, 2014); Comments of Verizon and Verizon (Jan. 9, 2014).

<sup>&</sup>lt;sup>3</sup> See Reply Comments of the Rural Wireless Association, Inc. and NTCA – The Rural Broadband Association at 2 (Jan. 23, 2014). Cellular Market Areas (CMAs) were created from the Metropolitan Statistical Areas (MSAs) defined by the Office of Management and Budget, the Gulf of Mexico, and Rural Service Areas (RSAs), established by the FCC, which do not cross state borders. See Public Notice Report No. CL-92-40 "Common Carrier Public Mobile Services Information, Cellular MSA/RSA Markets and Counties," dated Jan. 24, 1992, DA 92-109, 7 FCC Rcd 742 (1992).

<sup>&</sup>lt;sup>4</sup> See Attached RWA/NTCA Aggregated PEA Proposal. As noted in these attachments, NTCA and RWA include a map of 1,118 PEAs to be used in future auctions, and a "PEA Pod" map comprised of fewer boundaries to be used solely for the incentive auction.

<sup>&</sup>lt;sup>5</sup> See Supplemental Reply Comments of Competitive Carriers Association Regarding the Use of "Partial Economic Areas" at 2 (Jan. 23, 2014).

<sup>&</sup>lt;sup>6</sup> CCA filed its original proposal, with map, on November 27, 2013, in GN Docket No. 12-268. It filed a revised map on December 23, 2013. In its reply comments to the *PEAs PN*, it also provided additional input on how to draw the PEA boundaries. *See* Supplemental Reply Comments of Competitive Carriers Association Regarding the Use of "Partial Economic Areas" at 2 (Jan. 23, 2014). CCA provided an updated map in this meeting. *See* Attached CCA maps.

<sup>&</sup>lt;sup>7</sup> Comments of The Blooston Rural Carriers at 1 (Jan. 9, 2014).

- AT&T reiterated its support for EAs.<sup>8</sup> With respect to PEAs, AT&T stated it supports the concept
  of PEAs "nesting," or fitting within, EAs, and keeping the total number of PEAs as low as
  possible.
- Sprint stated that it is still reviewing the different PEA maps.
- T-Mobile stated that it could accept PEAs as the basis for licensing in the 600 MHz band.
- US Cellular stated its preference that no PEA license should go across a state boundary.
- Verizon stated that it maintains support for licensing the 600 MHz Band using EAs.<sup>9</sup> If PEAs are used, Verizon proposes using updated MSA boundaries<sup>10</sup> rather than the Commission's MSA boundaries.<sup>11</sup> Verizon also suggested that no individual PEA license should be smaller than the smallest current CMA license.

At the end of the meeting, FCC staff thanked the parties for working together on this issue and encouraged the parties to continue their analysis and discussions on this topic. Commission staff is filing this *ex parte* summary of a multi-party meeting as an alternative to having each participant file a summary.<sup>12</sup> Any subsequent maps or information provided to FCC staff on this issue should be filed in accordance with the Commission's *ex parte* rules.

Sincerely,

John Leibovitz, Deputy Chief

Wireless Telecommunications Bureau

<sup>&</sup>lt;sup>8</sup> See Comments of AT&T at 1 (Jan. 9, 2014).

<sup>&</sup>lt;sup>9</sup> See Comments of Verizon and Verizon Wireless at 1 (Jan. 9, 2014).

<sup>&</sup>lt;sup>10</sup> See http://www.bea.gov/regional/docs/msalist.cfm?mlist=5&Display=Display (last visited Feb. 27, 2014).

<sup>&</sup>lt;sup>11</sup> See Public Notice Report No. CL-92-40 "Common Carrier Public Mobile Services Information, Cellular MSA/RSA Markets and Counties," dated Jan. 24, 1992, DA 92-109, 7 FCC Rcd 742 (1992).

<sup>&</sup>lt;sup>12</sup> See 47 C.F.R. § 1.1206(b)(1) (Note to paragraph (b)(1).